



SEN. GEORGE RUNNER (RET.)

MEMBER
STATE BOARD OF EQUALIZATION
CALIFORNIA'S TAX BOARD

January 6, 2014

The Honorable Joel Anderson
California State Senate
State Capitol
Sacramento, CA 95814

Re: SUPPORT for SB 797 (Anderson)

Dear Senator Anderson:

I am writing in strong support of SB 797, which would assist California taxpayers who are innocent victims of fraudulent investment schemes to carry over net operating losses they suffered through no fault of their own.

In 2009, the IRS ruled to define fraudulent investment schemes as a business loss and allowed them to be accounted for as net operating losses for tax purposes. However, California has thus far failed to provide this same tax relief for impacted investors.

California tax agencies should not profit from criminal activity perpetrated against law-abiding Californians. By conforming to federal tax law and allowing defrauded investors to deduct these losses against past and future earnings, SB 797 would provide innocent victims with well-deserved financial relief.

Thank you for introducing this important measure.

Sincerely,

A handwritten signature in black ink, appearing to read "G Runner".

GEORGE RUNNER
Second District